GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries & Commerce Department – Incentives for setting up New Industrial Enterprises in Andhra Pradesh – Micro, Small and Medium Enterprises (MSME) Policy 2015-2020 – Orders - Issued.

INDUSTRIES AND COMMERCE (PROGRAMME-I) DEPARTMENT

G.O.Ms.No.53 Dated: 23-07-2015

Read the following:

(1).G.O.Ms.No.61, Industries & Commerce (IP) Department, Dated 29-06-2010.
(2.)G.O.Ms.No.36, Industries and Commerce (IP) Department, dated 29.04.2015.

***

O R D E R:

Micro, Small and Medium Enterprises (MSMEs) sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades. MSMEs contribute to approximately 8% of the Country's GDP, 45% of the manufacturing output and 40% of exports. MSMEs provide the largest share of employment after agriculture and hence, the development of MSME sector can contribute enormously to the socio-economic development of the country.

2. The MSME sector in Andhra Pradesh manufactures a variety of products with a high concentration of Micro and Small units belonging in the sectors of food, mineral and building materials, drugs and pharmaceuticals, fabricated materials, trading and service sector. Andhra Pradesh has identified development of MSMEs as a catalyst for job creation and balanced regional development.

3. In the G.O. 2nd read above, Government have notified the Industrial Development Policy, 2015-20, offering various incentives to new industries and expansion of industries in the State of Andhra Pradesh with significant thrust on encouraging startups and setting up incubation centre's to provide a conducive eco-system for MSMEs.

4. Government of Andhra Pradesh have given top priority to MSME sector. In this regard, extensive consultations were held with stakeholders & Industrial Associations namely CII, FAPSIA, FAPCCI, AP Spinning Mills Associations, ALEAP ,etc. for formulation of an exclusive MSME Policy to address the needs of MSME sector.

5. The MSME Policy 2015-20 has been prepared to provide a holistic framework for sustainable development of MSMES in the state and to make them globally competitive. This Policy offers incentives, infrastructure development, technology up-gradation, skill development, marketing support, simplification, administrative reforms and rehabilitation of sick enterprises in the State.

6. The Government with a view to make a state of Andhra Pradesh a progressive and highly industrialized State hereby introduce the MSME Policy 2015-2020. The detailed policy document is appended as Annexure-I.

7. Under the new “Micro, Small and Medium Enterprises (MSME) Policy 2015-2020”, the Government here by approve the following fiscal benefits covering the categories of (a) Micro and Small Enterprises (b) Medium Enterprises (c) Service Sector Enterprises (d) Swachh Andhra Initiatives (e) MSME Parks (f) Marketing Assistance (g) Awards & Recognitions (h) Sick Units Revival

7.1.0 Micro and Small Enterprises (MSEs)

Small Enterprise means a unit having an investment on plant and machinery up to the limits as defined by the Government of India from time to time.

Micro Enterprise means a unit in which investment on plant and machinery up to the limits as defined by the Government of India from time to time.

7.1.1 Reimbursement of 100% stamp duty and Transfer duty paid by the industry on purchase of land meant for Industrial use.

7.1.2 Reimbursement of 100% stamp duty for lease of land/shed/buildings, mortgages and hypothecations.

7.1.3 Uninterrupted 24x7 quality power to all industries operating in the state.

7.1.4 Fixed power cost reimbursement @ ₹1.00 per unit for a period of five years from the date of commencement of commercial Production.

7.1.5 Reimbursement of 100% Net VAT/CST/SGST for a period of 5 years from the date of commencement of commercial production.

7.1.6 15% Investment Subsidy on Fixed Capital Investment limited to ₹20 lakh. An additional Investment Subsidy @ 10% on Fixed Capital Investment for Women Entrepreneurs, with a maximum limit of ₹10 lakh Per unit .

7.1.7 Interest subsidy on the term loan taken for fixed capital investment by new Micro and Small enterprises in excess of 3% per annum subject to a maximum of 9% per annum for 5 years from the date of commencement of commercial production.

7.1.8 Reimbursement of 25% of land conversion charges for industrial use limited to ₹10 lakh.

7.1.9 25% rebate in land cost in Industrial Estates/ Parks limited to ₹10 lakh.

7.1.10 Seed capital assistance @10% of the machinery cost to First Generation Entrepreneurs setting up Micro Enterprises and @15% of the machinery cost for Women Entrepreneurs, which will be deducted from the eligible investment subsidy.

7.1.11 50% grant limited to ₹1 lakh for Water Audit and limited to ₹2 lakh for Energy Audit.

7.1.12 75% subsidy on the expenses incurred for quality certification/patent registration limited to ₹5 Lakhs

7.1.13 50% of the cost of the application for Trademark registration or ₹25,000, which ever is less

7.1.14 50% cost reimbursement for Skill Up-gradation and training local manpower limited to ₹5000 per person for 10 persons in Micro Enterprises and 20 persons in Small Enterprises

7.2.0 Medium Enterprises

Medium Enterprise means an industry in which Investment on plant and machinery up to limit as defined by the Government of India from time to time.

7.2.1 Reimbursement of 100% stamp duty and Transfer duty paid by the industry on purchase of land meant for Industrial use

7.2.2 Reimbursement of 100% stamp duty for lease of land/shed/buildings, mortgages and hypothecations

7.2.3 Uninterrupted 24x7 quality power to all industries operating in the state.

7.2.4 Fixed power cost reimbursement @ ₹1.00 per unit for a period of five years from the date of commencement of commercial Production

7.2.5 Reimbursement of 75% Net VAT/CST/SGST for a period of 7 years from the date of commencement of commercial production or up to realization of 100% fixed capital investment, whichever is earlier.

7.2.6 Reimbursement of 25% of land conversion charges for industrial use limited to ₹10 lakh

7.2.7 25% rebate in land cost (in Industrial Estates/ Parks) up to ₹10 lakh

7.2.8 75% subsidy on the expenses incurred for quality certification/patent registration limited to ₹5 Lakhs

7.2.9 50% of the cost of the application for trade mark registration or ₹25,000

7.2.10 50% cost reimbursement for Skill Upgradation and training local manpower limited to ₹5000 per person for 20 persons.

7.3.0 Service Sector Activities

7.3.1 15% Investment Subsidy on Fixed Capital Investment limited to ₹20 lakh for Micro and Small Service Enterprises to the identified service activities related to industries set up anywhere in the State as per the list appended to Annexure –II.

7.3.2 The above service activities are eligible for investment subsidy only and all other service / Business activities are not eligible for any incentives.

7.4.0 Swachh Andhra Initiatives

7.4.1 MSME projects engaged in Recycling of Waste to Environment friendly products/energy (such as waste to energy, waste to bio-gas, waste to manure) will be brought under Zero-Rated Category of the VAT Act

7.4.2 35% subsidy on cost of Plant & Machinery for specific cleaner production measures limited to ₹35lakhs for MSMEs, provided the measures are certified by Andhra Pradesh Pollution Control Board (APPCB)

7.4.3 25% subsidy for sustainable green measures on total fixed capital investment of the project (excluding cost of land, land development, preliminary and pre-operative expenses and consultancy fees) for below mentioned green measures with a ceiling of ₹50 crore.

(a) Waste water treatment: Constructing Effluent Treatment Plant and Sewage Treatment Plant and using recycled water for industrial purpose, especially zero discharge systems.

(b) Green Buildings: Buildings which obtain green rating under the Indian Green Building Council (IGBC/LEED Certification) or Green Rating for Integrated Habitat Assessment (GRIHA) systems.

(c) Use of renewable source of power (erecting captive sun, wind and biomass plants etc.)

(d) Installing Continuous Emission Monitoring System (CEMS) for red category industries. The information should be disseminated continuously to APPCB

(e) Adopting rain water harvesting, restoring water bodies by de-stilting defunct water bodies

(f) Any other environment management project approved by Empowered Committee of Secretaries

7.5.0 MSME Parks

7.5.1 Dedicated MSME Park shall be established to an extent of 25 acres with common infrastructure like roads, industrial water supply, power, effluent treatment plant. These MSME Parks shall be established across all districts in a phased fashion depending upon Sectoral assessment to be taken up during Q2/Q3 of FY 2016

7.5.2 Reservation of 15% of total area of land for MSME industries in any 2 of developed Industrial Parks of APIIC in every district, which will not be less than 40 acres of developed land in every district

7.5.3 Of the land reserved for MSME industries, 15% of plots reserved for SC entrepreneurs, 5% for ST, 20% for BC, 5% for entrepreneurs from Minority Communities and 10% for Women Entrepreneurs

7.6.0 Marketing Assistance

7.6.1 GoAP will provide financial assistance to MSME associations for funding market studies, market creation efforts, quality improvement efforts and disseminating this information to MSMEs

7.6.2 District Industries Centres will hold MSME meets bi-annually and also invite large companies to facilitate a strong network between MSMEs and large companies

7.6.3 GoAP will appoint a consultancy to do the following:

(i) Sector/district wise study to identify sector-specific Clusters based on potential for development of MSMEs.

(ii) To identify potential upstream and downstream linkages in each Cluster.

(iii) To create an enabling framework for effective tie-ups with MSMEs in other countries like China, Japan, Singapore etc. and Networking with MSMEs associations in these countries.

(iv) To create an enabling framework for mapping Skill Inventories with upcoming Industrial demand and methodology to augment the same.

7.6.4 GoAP will leverage the Public Procurement Policy for Micro and Small Enterprises (MSEs) of Government of India, which mandates the Government of India Ministries, Departments and Public Sector Undertakings to procure minimum of 20 per cent of their annual value of goods or services and will take all necessary steps to create a base of MSME suppliers in Andhra Pradesh.

7.7.0 Awards & Recognition

7.7.1 GoAP will institute awards for MSMEs both at District/State level based on criteria mentioned below:

(a) Highest growth in production and profit
(b) Quality improvement measures
(c) Environment improvement measures Innovation and new product/process/technology development
(d) Employment generation
(e) Innovation & Productivity

Award recipients will get priority for participation in international trade fairs and other incentive schemes

7.8.0 MSME Facilitation

7.8.1 GoAP shall constitute an MSME Facilitation Desk to provide one-stop solution to all MSME related queries/grievances

7.8.2 To further support the same, a helpline shall be established for ensuring better reach and coordination between GoAP and the MSME sector

7.8.3 MSME associations shall be co-opted in the Facilitation Desk to ensure establishment of a timely and methodical feedback channel. This Desk is envisaged to play a crucial role in identifying incipient sickness and thereby assist GoAP in redressing the same.

7.9.0 MSME Revival Fund:

GoAP will create a fund of Rs. 100 Crore in financial year 2015-16 to support the revival of Sick MSMEs across the State. The fund shall be specifically utilized to achieve the goals of speedy revival, additional employment generation, enhanced market linkages and disciplining the management of MSMEs in order to create a robust eco-system.

1. The policy will come into operation from date of issue of this order and shall remain in force for five years or upto 31-03-2020. The Incentives mentioned in the Policy will be extended to industries as per guidelines to be notified separately.

2. This order issues with the concurrence of Finance (Exp.Ind&Com.) Department, vide their U.O. No.9995/129/EBS-VIII/A2/2015, dated: 20-07-2015.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

S.S RAWAT
SECRETARY TO GOVERNMENT & CIP

To
The Director of Industries, Andhra Pradesh, Hyderabad.
The Vice Chairman & Managing Director, Andhra Pradesh Industrial Infrastructure Corporation, Andhra Pradesh, Hyderabad.
The Director of Handlooms and Textiles, Andhra Pradesh, Hyderabad.
The Managing Director, Andhra Pradesh State Finance Corporation, Hyderabad.
Copy to:
The Principal Secretary to Government, Social Welfare Department.
The Principal Secretary to Government, Tribal Welfare Department
The Principal Secretary to Government, Revenue (CT/LA) Department.
The Principal Secretary to Government, Irrigation & CAD (Reforms) Department.
The Secretary to Government, Energy Department.
The LET & F (Employment) Department.
The Law Department.
The Special Chief Secretary to Government Finance (EBS.VIII) Department
The Accountant General, Andhra Pradesh, Hyderabad
The Convener, State Level Banker's Committee.
The General Manager, Small Industry Development Bank of India, (SIDBI), Hyderabad.
The Pay and Accounts Officer, Hyderabad.
All District Collectors through Director of Industries, Hyderabad.
All Heads of Departments through Director of Industries, Hyderabad.
All Departments of Secretariat.
All Govt. Companies/Corporations through Director of Industries, Hyderabad.
The P.S. to Spl. Secretary to Chief Minister.

The P.S. to Chief Secretary to Government
All Private Secretaries to the Ministers.
All General Managers, District Industries Centre in the State through Director of
Industries, Hyderabad.
All Sections in the Department.
S F/SC.

//FORWARDED BY ORDER //

SECTION OFFICER

ANNEXURE –I

(TO G.O MS NO: ,INDUSTRIES & COMMERCE (PROG-I) DEPARTMENT DT: 23.07.2015)

MICRO, SMALL AND MEDIUM ENTERPRISES (MSME) POLICY 2015-2020

1. PREAMBLE

a. Introduction to Andhra Pradesh

Andhra Pradesh is strategically located on the Southeast coast of India and is a natural gateway to East & Southeast Asia. The State has a population of 4.93 crores (as per population census - 2011), accounting for 4% of India's population, residing in 4.9% of geographical area. The State is endowed with abundant natural resources (Barytes, Limestone, Bauxite, and a number of minor minerals), fertile land and river basins, water resources, extensive canal system and conducive agro-climatic conditions. The State has the second longest coastline in India and is also one of the largest producers of marine products.

At current prices, the Gross State Domestic Product (GSDP) of Andhra Pradesh was ₹4,64,184 crore in 2013-14. The Advanced Estimate for GSDP in 2014-15 is ₹5,20,030 crore and the target for GSDP in 2015-16 is ₹6,36,606 crore. Between 2004-05 and 2013-14, the average annual GSDP growth rate of Andhra Pradesh was 14.73%.

The average per capita income (at current prices) increased from ₹25,959 in 2004-05 to ₹81,397 in 2013-14, with a CAGR of 13.54% and may reach ₹1,07,733 by 2015-16, with a CAGR of 13.81%.

Over the years, the State has established a strong presence in agro and food processing, textiles, chemicals & petrochemicals, pharmaceuticals, metallurgy, electronics and electrical engineering sectors.

b. Introduction - Micro, Small and Medium Enterprises (MSME)

MSME sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades. MSMEs contribute to nearly 8% of the country's GDP, 45% of the manufacturing output and 40% of the exports. MSMEs provide thelargest share of employment after agriculture and hence, development of MSME sector can contribute enormously to the socio-economic development of the country.

MSME sector underscores entrepreneurship and innovation. Moreover, MSMEs are complementary to large industries as ancillary units.Micro Small Medium Enterprises Development (MSMED) Act, 2006 seeks to facilitate the development of these enterprises, enhance their competitiveness and provides a legal framework for recognition of both manufacturing and service entities in the concept of "enterprise".

c. Why Andhra Pradesh

The Hon'bleChief Minister has identified development of MSMEs as a catalyst for job creation and poverty mitigation and GoAP has accorded top priority to their development. In parallel, there is significant thrust on encouraging startups and setting up incubation centres to provide a conducive eco-system for MSME.

The MSME sector in AP manufactures a variety of products. There is a high concentration of micro and small units in the food sector, mineral and

building materials sector, drugs and pharmaceuticals, fabricated materials, trading and service sector.

The Andhra Pradesh MSME Policy 2015-20is aimed at “establishing state-of the art infrastructure, advancing inclusivity, fostering innovation and creating employment opportunities across different skill sets”.

d. Tactical advantages that AP offers

(1) Robust Infrastructure

Andhra Pradesh has robust infrastructure comprising good road and rail network, 4 major ports, 4 active airports and 24X7 power for industrial/commercial use. Additionally, the State is creating a land bank of 10 lakh acres to facilitate industrial development. Mega projects like Vizag-Chennai Industrial corridor (VCIC) and Chennai-Bengaluru Industrial Corridor (CBIC) will help develop new economic centres in the State, further giving fillip to industrial development.

(ii) Large base of Skilled Manpower

The State has over 120 polytechnics, 225 engineering colleges and several management institutes which meet the industries’ requirements for skilled manpower. The State also boasts of cordial labour relations as well as general peace and order owing to GoAP’s welfare policies (Andhra Pradesh was the first state to amend Contract Labour Act to define core and non-core activities). Last but not the least, Andhra Pradesh is uniquely positioned to access the global talent pool by leveraging a strong diaspora active in this sector.

2. Policy Objective

GoAP aims to give fillip to the MSME sector to facilitate inclusive growth and development. The objective is to provide a conducive eco-system to encourage MSMEs and attract new investments into the sector.

3. Policy Targets

Policy targets are as follows:

(a) Enhance competitiveness of the sector to make Andhra Pradesh one of the most preferred destinations for MSME’s

(b) Attract new investments worth ₹15,000 crore in the sector by 2020

(c) Create additional employment opportunity for 3,00,000 people in the sector by 2020

4. Definition: Medium, Small and Micro Enterprises (MSME)

The below definition pertains to the MSME in manufacturing sector in terms of investment in plant and machinery as per the MSMED Act, 2006, as amended from time to time.

(a) Micro: Does not exceed ₹ 25 lakhs

(b) Small: More than ₹25 lakhs but does not exceed ₹5 crore

(c) Medium: More than ₹5 crore but does not exceed ₹10 crore

5. Operative period of the scheme:

The scheme will come into operation from the date of its issue and shall remain in force for five years.

6. Incentives

(a)Stamp Duty

(i) 100% of stamp duty and transfer duty paid by the industry on purchase or lease of land meant for industrial use shall be reimbursed.

(ii) 100% of stamp duty for lease of land/shed/buildings, mortgages and hypothecations shall be reimbursed.

(iii) All the reimbursements shall be done within 6 months.

(b)VAT/CST/ SGST

(i) For micro and small industries, 100% of net VAT/CST/SGST shall be reimbursed for a period of 5 years from the date of commencement of commercial production.

(ii) For medium industries, 75% of net VAT/CST/ SGSTshall be reimbursed for a period of 7 years from the date of commencement of commercial production or up to realization of 100% fixed capital investment, whichever is earlier.

(c)Power:

(i) Andhra Pradesh is one of the states selected for the centrally-sponsored "power for all" scheme. This scheme will ensure 24x7 quality and reliable across the state.

(ii) Fixed power cost reimbursement is proposed to be provided at ₹1.00 per unit for 5 years from the date of commencement of commercial production. This will apply to open access units as well.

(iii) The units generating power from captive power plant will not be eligible for the subsidy.

(d) Fixed Capital Subsidy

(i) 15% investment subsidy on fixed capital investment (excluding land) subject to a maximum of ₹20 lakhs for micro and small enterprises

(ii) Investment subsidy will also be extendable to the identified service activities related to industries setup anywhere in the State as per the list appended as Annexure –II

(e)Interest Subsidy

Interest subsidy under Pavala Vaddi Scheme on the term loan taken on the fixed capital investment by New Micro and Small Enterprises in excess of3% per annum subject to a maximum reimbursement of 9% per annum for aperiod of 5 years from the date of commencement of commercial production.

(f)Seed Capital Assistance for Micro Enterprises:

Seed capital assistance to First Generation Entrepreneurs to set-up Micro Enterprises @10% of the Machinery cost, which will be deducted from the eligible investment subsidy.

(g)Skill Upgradation

(i) As outlined in the Industrial Policy 2015-20, GoAP shallcreatea model for development of skilled manpower and for improving employability in the State.Under this model, State will identify the quantum requirement of skilled manpower, identify industry specific skill sets required and provide courses at different levels of education – matriculation and above.

(ii) GoAP recognizes that MSME requires additional support for skill development. GoAP will reimburse 50% of the cost involved in skill upgradation and training the local manpower limited to ₹5000 per person for 10 persons in micro and 20 persons in small and medium industries.

7. Land

(a) GoAP shall reserve15% of total area of land for MSME industries in any 2 of developed Industrial Parks of APIIC in every district, which will not be less than 40 acres of developed land in every district and allot land in government run Industrial Areas at a predetermined concessional lease rate as defined by APIIC.

(b) GoAP shall also reimburse 25% of land conversion charges for industrial use limited to ₹10 lakh.

(c) GoAP shall provide 25% rebate in land cost limited to ₹10 lakh in Industrial Estates/ Parks.

(d) Of the land reserved for MSME industries in its plots/ industrial estates, APIIC shall allocate 15% of plots to Scheduled Caste Entrepreneurs and 5.% of plots to Scheduled Tribe Entrepreneurs, 20% of plots for Backward Classes Entrepreneurs and 5% for Entrepreneurs from Minority Community.

(e) Of the land reserved for MSME industries in its plots/ industrial estates, APIIC shall allocate 10% of number of plots to Women Entrepreneurs.

8. Quality Improvement/Clean Production interventions

(a) MSMEs would be encouraged to undertake quality improvement interventions such as relevant upgrade of existing technologies and installing of new technologies for
quality control, cleaner environment friendly production, water and energy audits, quality certifications etc. MSMEs may take assistance of recognized MSME associations to undertake quality improvement measures

(b) Further GoAP will provide assistance by a way of 50% grant limited to ₹ 1 lakh for water audit and ₹2 lakh for energy audit to micro and small enterprisesin Andhra Pradesh

9. Marketing Assistance

(a) GoAP would extend all the required support for market development activities. GoAP places significant thrust on the entire spectrum of marketing activities. GoAP will provide financial assistance to MSME associations for funding market studies, market creation efforts, quality improvement effort and disseminating this information to MSMEs. Market studies funded by GoAP should be available in the public domain.

(b) District Industries Centers will hold MSME meets bi-annually and also invite large companies to facilitate a strong network between MSMEs and large companies.

(c) GoAP will appoint a consultancy to do the following:

(i) Sector/ District-wise study to identify Sector specific Clusters based on potential for development of MSMEs.

(ii) To identify potential upstream and downstream linkages in each Cluster.

(iii) Creating an enabling framework for effective tie-up with MSMEs in countries like China, Japan, Singapore etc and Networking with MSME associations in these countries.

(iv) Creating an enabling framework for mapping Skill Inventories with upcoming Industrial demand and methodology to augment the same.

(d) GoAP will leverage the Public Procurement Policy for Micro and Small Enterprises (MSEs) of Government of India, which mandates the Government of India Ministries, Departments and Public Sector Undertakings to procure minimum of 20 per cent of their annual value of goods or services and will take all necessary steps to create a base of MSME suppliers in Andhra Pradesh.

10. Quality Certification/ Patent& Trademark Registration

(a) 75% subsidy on the expenses incurred for quality certification/patent registration limited to ₹5 Lakhs for MSMEs

(b) Trademark: 50% of the cost of the application for trade mark registration or ₹25,000, whichever is less

11. Awards &Recognition

GoAP will institute awards for MSMEs based on criteria mentioned below:

(a) Highest growth in production and profit

(b) Quality improvement measures

(c) Environment improvement measures Innovation and new product/process/technology development

(d) Employment generation

(e) Innovation & Productivity

Award recipients will get priority for participation in international trade fairs and other incentive schemes.

12. MSME Parks

GoAP shall establish a dedicated MSME Park in each district up to an extent of 25 acres with common infrastructure like roads, industrial water supply, power, effluent treatment plant. These MSME Parks shall be established across all districts in a phased fashion depending upon sectoral assessment to be taken up during Quarter 2/Quarter 3 of Financial Year 2016.

13. MSME Facilitation Desk

(a) GoAP shall constitute an MSME Facilitation Desk to provide one-stop solution to all MSME related queries/grievances.

(b) To further support the same, a helpline shall be established for ensuring better reach and coordination between GoAP and the MSME sector.

(c) MSME associations shall be co-opted in the Facilitation Desk to ensure establishment of a timely and methodical feedback channel. This Desk is envisaged to play a crucial role in identifying incipient sickness and thereby assist GoAP in redressing the same.

14. MSME Revival Fund:

GoAP will create a fund of Rs. 100 Crore in Financial Year 2015-16 to support the revival of Sick MSMEs across the State. The fund shall be specifically utilized to achieve the goals of speedy revival, additional employment generation, enhanced market linkages and disciplining the management of MSMEs in order to create a robust eco-system.

S.S RAWAT
SECRETARY TO GOVERNMENT & CIP

//FORWARDED BY ORDER //

SECTION OFFICER

ANNEXURE II

(To G.O.Ms.No. Iindustries & Commerce (Prog.I) Department, Dated: -7-2015)

List of Service Enterprises, related to industry, eligible for Investment subsidy

Sr.No	Activity
	Industrial / Material testing laboratories
2.	R&D Centres related to industry
3.	Printing presses offset printing press, Flexi/Vinyl Printing, Flexo printing
4.	Machine operated Seed grading services
5.	Industrial Training Centres with necessary machinery and equipment.
6.	Power Laundries
7.	Readymade Garments units with investment more than 5.00 lakhs on Plant & Machinery
8.	Auto servicing and /or repairing units with investment more than 5.00 lakhs on Plant & Machinery
9.	Packaging activity with investment more than 10.00 lakhs on Plant & Machinery
10.	General Engineering and Fabrication
11.	Machine operated Book binding Enterprises and Note Books with investment more than 5.00 lakhs on Plant & Machinery
12.	Any other Service Enterprises notified by the State Level Committee for inclusion in this list from time to time.

Note:

(1) Service Sector projects set up by the entrepreneurs will be limited to 50% of the Budget Provision in order to encourage the remaining 50% for the manufacturing sector.

(2) The above service activities are eligible only for investment subsidy and all other service / Business activities are not eligible for any incentives.

S.S RAWAT
SECRETARY TO GOVERNMENT & CIP

//FORWARDED BY ORDER //

SECTION OFFICER